

DAILY BULLETIN

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U.S. COMMITTED TO ADDRESSING CHALLENGES OF GLOBAL CLIMATE CHANGE

Nearly \$5.8 billion will go to climate-change programs, initiatives in 2005

The United States is committed to addressing the long-term challenges of global climate change and will invest nearly \$5.8 billion in 2005 on science and technology research and other initiatives aimed at cutting greenhouse gas emissions, according to the State Department.

"While the United States and countries with binding emissions restrictions under the Kyoto Protocol are taking different paths, our destination is the same, and compatible with other efforts," State Department spokesman Richard Boucher said February 15.

He said U.S. policies on climate change are based on meeting the multiple objectives of improving energy security, promoting economic growth and development, reducing poverty, reducing traditional air pollution, and mitigating greenhouse gases.

The United States is helping fund multilateral energy initiatives that investigate technologies "needed to dramatically reduce greenhouse gas emissions on a global scale" - including carbon sequestration, the hydrogen economy, methane recovery and nuclear technology - as well as other international efforts such as the Group on Earth Observations, Boucher said.

The United States also has initiated 14 bilateral climate partnerships with countries and regional organizations,

resulting in joint projects on climate change science, cleaner energy technologies, and new policy approaches to greenhouse gases. For additional information on those partnerships, see the State Department fact sheet at (<http://www.state.gov/g/oes/rls/fs/2004/39438.htm>).

The Kyoto protocol is scheduled to enter into force February 16.

Following is the text of Boucher's statement:

U.S. DEPARTMENT OF STATE
Office of the Spokesman
February 15, 2005

UNITED STATES COMMITMENT TO ADDRESS CLIMATE CHANGE

The United States is working domestically and internationally to address the long-term challenge of global climate change. U.S. policies are based on meeting the multiple objectives of improving energy security, promoting economic growth and development, reducing poverty, reducing traditional air pollution, and mitigating greenhouse gases.

President Bush has committed America to reducing the greenhouse gas intensity of the U.S. economy by 18 percent by 2012 -- preventing the emission of more than 500 million tons of carbon over this period. A comprehensive, innovative program of domestic and climate change initiatives supports this goal.

While the United States and countries with binding emissions restrictions under the Kyoto Protocol are taking different paths, our destination is the same, and compatible with other efforts.

For 2005, the United States has committed nearly \$5.8 billion to address climate change:

- Almost \$2 billion for scientific research into climate change.
- Nearly \$3 billion for climate change technology research, development, and deployment.
- Over \$200 million for foreign aid programs that contribute climate change benefits.
- Almost \$700 million for renewable energy and energy efficiency through tax incentives.

This budget helps fund the five cutting edge multilateral energy initiatives (The Carbon Sequestration Leadership Forum; The International Partnership for the Hydrogen Economy; Methane to Markets Partnership; International Thermonuclear Experimental Reactor; Generation IV International Forum for Advanced Nuclear Technology) that represent technologies needed to dramatically reduce greenhouse gas emissions on a global scale. It also funds the Group on Earth Observations, a major international partnership to improve our understanding of the science of climate change.

The United States has also initiated 14 bilateral climate partnerships with countries and regional organizations that along with the United States account for over 70% of the global greenhouse gas emissions. These are resulting in joint projects on climate change science, cleaner energy technologies, and policy approaches to greenhouse gases.

For further information, please see Fact sheet on U.S. Climate Change Policy (<http://www.state.gov/g/oes/rls/fs/2004/38641.htm>) and Fact Sheet on Bilateral and Regional Partnerships (<http://www.state.gov/g/oes/rls/fs/2004/39438.htm>)

SENATORS LAUD ZOELICK AT CONFIRMATION HEARING

Krasner selected for policy planning post at State

Washington - Ambassador Robert B. Zoellick, U.S. trade representative and President Bush's choice for deputy secretary of state, testified before the Senate Foreign Relations Committee February 15. If confirmed by the Senate, Zoellick will become the number-two official at the Department of State.

Prior to his appointment as U.S. trade representative by Bush in 2001, Zoellick served as under secretary of state for economic and agricultural affairs. Previously he served as senior U.S. official in the German reunification process and as U.S. negotiator of the North American Free Trade Agreement.

During the hearing, both Republican and Democratic senators praised Zoellick for his work as U.S. trade

representative. "The committee expects that Ambassador Zoellick will bring to the deputy secretary's job the same energy and hard work he has devoted to his role as our chief trade negotiator," said Senator Richard Lugar, Republican from Indiana and chairman of the Foreign Relations Committee.

Senator Joseph Biden, senator from Delaware, echoed Lugar's confidence in Zoellick. "The diplomatic skills you brought as our trade [representative]...and the respect you've earned are going to serve us very well," he said.

Secretary of State Condoleezza Rice has selected Stephen Krasner as the new director of policy planning, said State Department spokesman Richard Boucher at a February 14 press briefing.

As a professor at Stanford University, Krasner served as the director of the Center on Democracy Development and the Rule of Law. Krasner previously served as a member of the Public Policy Planning staff in 2001 and as director for governance and development at the National Security Council in 2002.

U.S. FOOD AID PROGRAM TO SUPPORT PROJECTS IN 16 COUNTRIES

Food donations are intended to benefit nations in four regions

Countries in Africa, Asia, Latin America and the Middle East will be among the beneficiaries of a U.S. food aid program designed to support agricultural and rural development projects, the U.S. Department of Agriculture (USDA) says.

In a February 14 news release, USDA said it will donate under the Food for Progress program \$125 million worth of U.S. agricultural products to nonprofit organizations and the U.N. World Food Program for sale in 16 recipient countries. Revenue from sales will fund local projects aimed at helping countries alleviate food shortages and malnutrition, build trade capacity or recover from conflicts, USDA said.

The department said that in coming weeks it will decide

on additional aid under the same program for the fiscal year that ends September 30.

Following is the text of the news release:

United States Department of Agriculture

USDA ANNOUNCES \$125 MILLION IN INTERNATIONAL ASSISTANCE UNDER FOOD FOR PROGRESS

WASHINGTON, Feb. 14, 2005 -- Agriculture Secretary Mike Johanns today announced plans for \$125 million in international food assistance under the U.S. Department of Agriculture's Food for Progress program for fiscal year 2005. The commodity donations will benefit 16 countries in Africa, Asia (including Central Asia), Latin America and the Middle East.

"America will continue to answer the call of those in need around the world as part of a long tradition of sharing our agricultural abundance with others," Johanns said. "This food aid program supports economic reforms and development that can help lift people out of poverty and lead to more productive, open, entrepreneurial societies."

The Food for Progress allocations announced today include more than 300,000 metric tons of U.S. wheat and flour, corn, rice, soy products, vegetable oils, beans and other commodities that will be purchased on the U.S. market and donated by USDA. The commodities will go to nonprofit organizations and the United Nations World Food Program to support agricultural and rural development projects, while helping to address food shortages. The development projects are funded by sales of the donated U.S. commodities within the recipient countries.

In Afghanistan, for example, the U.S. donation to Mercy Corps will benefit around 30,000 farmers and their families by funding plant nurseries, irrigation improvements and research to revive fruit and nut production. In the West African country of Niger, Catholic Relief Services will assist 1,500 sesame producers, mainly women, and up to 100,000 people overall by promoting private sector production, processing and marketing. In Honduras, Zamorano will use sales proceeds from the U.S. rice to fund university scholarships for agriculture and rural studies for disadvantaged youth.

Selection criteria for this year's projects emphasized the following objectives: helping countries fill food and

nutritional gaps; assisting countries with trade-capacity building and other economic and market transitions under trade agreements; and helping countries recover from conflicts.

For each announced donation, detailed agreements must still be negotiated. In the coming weeks, decisions will be made on additional fiscal 2005 Food for Progress donations that will be funded under P.L. 480, Title I, for foreign governments and nonprofit organizations. The Food for Progress Act of 1985 provides for USDA donations of agricultural commodities to developing countries and emerging democracies to encourage economic or agricultural reforms that foster free enterprise.

USDA also provides foreign food assistance through the McGovern-Dole International Food for Education and Child Nutrition Program, and through Section 416(b) of the Agricultural Act of 1949. Last year, under its fiscal 2004 food assistance programs, USDA supplied more than 1 million metric tons of U.S. food aid commodities valued at \$375 million to about 80 countries around the world.

A list of today's Food for Progress allocations is available at:
http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_10B?contentidonly=true&contentid=2005/02/0052.xml

U.S. SUPPORTS NATIONS WITH SOUND ECONOMIC POLICIES, SAYS TAYLOR

Treasury official describes 2002 effort to aid Uruguay's banking system

A core principle of the United States' economic strategy for Latin America and the rest of the world is to provide strong support for nations that pursue prudent economic policies, says Under Secretary of Treasury for International Affairs John Taylor.

Taylor received the Medal of the Oriental Republic of Uruguay at the Embassy of Uruguay in Washington on February 14. In remarks at the ceremony, he said the U.S. policy toward nations facing economic turmoil "is based on our firm belief that without sound policies on

the part of the country itself, international assistance cannot yield successful results."

Taylor explained that the case of Uruguay in 2002 is an excellent example of how the United States was able to support a country implementing sound economic policies, while also dealing appropriately with financial contagion stemming from external crises.

Taylor outlined U.S. efforts to support the Uruguayan banking system in 2002, which culminated in a \$1.5 billion short-term loan to the government of Uruguay to stem a bank run resulting from Argentina's financial crisis.

As a result of the Uruguayan government's sound policies and U.S. support, Uruguay's economy has rebounded from the 2002 crisis and has enjoyed a projected growth of 12 percent in 2004, with inflation and unemployment rates falling considerably, the Treasury official noted.

Taylor said the United States looks forward to working with new Uruguayan President Tabare Vazquez to build on these achievements, both in Uruguay and in the region as a whole.

"Our shared challenge is to sustain that momentum by putting in place microeconomic policies that encourage Latin American entrepreneurs to risk their capital at home," he said.

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